



Community Bankers Association of Illinois

One Mission. Community Banks.®

Good Evening,

It has been a frustrating 5 days for most of you and the CBAI team. I know many are still trying to access the SBA system to try and process PPP loans for your small business customer. Many more of you that have been granted access are dealing with the starts and stops of an overwhelmed platform. We are still awaiting formal guidance on many questions we all have. The good news is the President announced today that he asked Congress for an additional \$250 billion to make sure the money does not run out.

Today we also learned the long, promised portal has arrived, but with very little guidance on how to use it. The latest update from the ICBA sheds some light on that and other issues surrounding the CARES Act.

SBA Launches PPP Portal, Issues FAQs

The Small Business Administration today [launched its long-awaited portal](#) to facilitate Paycheck Protection Program (PPP) access. The new portal allows non-SBA-certified lenders to:

- Create an account on SBA Connect.
- Request authorization to the Paycheck Protection Lender Gateway by providing their FDIC or Federal Reserve number and authorization number.
- Proceed to the [Lender Gateway](#) to begin submitting loan authorization requests.

The SBA launched the portal while ICBA Chairman Noah Wilcox and ICBA Vice Chairman Brad Bolton participated in a [virtual White House meeting](#) with President Donald Trump, Treasury Secretary Steven Mnuchin, and SBA Administrator Jovita Carranza to discuss the status of the PPP.

These latest developments follow last night's release by Treasury and the SBA of numerous [frequently asked questions](#) on the PPP. The FAQs provide guidance on issues related to verifying borrower calculations, borrower eligibility, SBA affiliation rules, and more. ICBA has added information from the Treasury/SBA FAQs to [our own FAQs on the PPP](#), which we continue to extensively update with new information as we receive it.

However, many outstanding questions and concerns remain. ICBA continues to ask Treasury and SBA to provide definitive guidance on whether:

- Banks can lend to their directors with eligible small businesses.
- Banks can use their own loan documents or should use an SBA to-be-provided note to close PPP loans.
- Owner draws or distributions count as payroll costs.

As soon as we have answers to those questions, we will let you know.

The FAQs follow yesterday's announcement of a [Federal Reserve facility](#) to provide term financing backed by PPP loans. ICBA last weekend [urged Treasury and the SBA](#) to launch a secondary market facility with the Fed to purchase program loans from originating institutions. Among its other recommendations, ICBA also called on policymakers to enhance the overburdened SBA systems, increase program funds, and dedicate funds to community banks.

The latest updates follow the SBA's Friday night release of its [Lender Agreement](#), an application for non-SBA-certified lenders to apply to enter the PPP system, input borrower applications, and register for SBA loan

guarantees. The SBA continues encouraging lenders who need assistance to call its Lender Customer Service Line at 833-572-0502, though community bankers who have called that number are reporting mixed results on the agency's assistance.

We have heard from many community bankers who have had problems accessing the program—including banks with access to the SBA's E-Tran system. ICBA has heard that some bankers have found password-reset emails and other auto-generated messages from the SBA E-Tran in their spam folders. So please check there occasionally for automated emails from DoNotReply@sba.gov .

We continue encouraging community bankers to weigh in on these types of problems by [completing our new survey](#) on PPP access and processing.

We remain committed to our mission of creating and promoting an environment where community banks flourish. And we thank you for all you are doing to support your customers and communities at this challenging time.

Sincerely,

Rebeca Romero Rainey
President and CEO
Independent Community Bankers of America



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